

The Future of Sustainable Development:

Rethinking sustainable development after Rio+20 and implications for UNEP



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The International Institute for Sustainable Development (IISD) contributes to sustainable development by advancing policy recommendations on international trade and investment, economic policy, climate change and energy, and management of natural and social capital, as well as the enabling role of communication technologies in these areas. We report on international negotiations and disseminate knowledge gained through collaborative projects, resulting in more rigorous research, capacity building in developing countries, better networks spanning the North and the South, and better global connections among researchers, practitioners, citizens and policy-makers.

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Table of Contents

Introduction.....	1
Part 1. Catalyzing Sustainable Development in a Post-Rio+20 World.....	2
The Challenge	2
Shifting the Narrative	3
The Equity Imperative.....	5
Losers and Stranded Assets	6
The Elephant in the Room: Decoupling.....	7
Enabling a Sustainable Economy	8
Who?.....	9
Where?	11
When?.....	12
Accountability: The Final Word	13
Conclusion.....	13
Part 2. Implications for UNEP.....	15
Introduction	15
Leadership in Crafting the New Narrative.....	15
UNEP Services	17
UNEP as a Venture Catalyst	18
UNEP's Traditional Constituencies: UNEP in the UN	19
Building Coalitions: Helping to Find UNEP's New Constituencies	21
Conclusion.....	23
Annex 1: List of Participants at the Reflections on Rio Retreat.....	25

Introduction

The United Nations Conference on Sustainable Development (UNCSD) in June 2012—commonly referred to as Rio+20—left many perplexed. If a number of advances were made, the results fell well short of what is needed to redirect the global economy onto a sustainable course. Given that 20 years have passed since the Earth Summit, and 25 since the Brundtland Commission launched the notion of “sustainable development,” clearly something is not working.

Almost everyone would insist that they have no wish to live in a world that is economically, socially or environmentally unsustainable. Yet, despite all the public rhetoric and endless global negotiation, far too little has been done to bring about the much-needed system-wide change of course toward sustainable development. So it is time for the sustainable development community to ask itself some tough questions: Why is sustainable development not “selling”? How might we re-envision the concept for the world of today? And, what does this imply for organizations like the United Nations Environment Programme (UNEP), whose mission both contributes to, and depends on, the realization of sustainable development?

To explore these questions, the International Institute for Sustainable Development (IISD) organized an informal meeting in Abu Dhabi on December 2–3, 2012, with a handpicked selection of leaders and experts from around the world. The participants (see Annex 1) came from a wide variety of backgrounds including present and former ministers of environment and development, senior UN officials, corporate CEOs, senior academics and leaders of major civil society organizations. The executive director of UNEP, Achim Steiner, played an active part in the discussions and was accompanied by staff from his Executive Office. The discussions were moderated by Simon Zadek, a senior fellow at IISD, and held under the Chatham House rule.

This paper draws heavily on ideas that were raised during the meeting but, in the end, it is the perspective and the responsibility of the authors. It has not been approved by the participants and may or may not fairly reflect their views. Instead, it represents the authors’ reflections on the discussion and their attempt to distil the lessons they learned. We are

immensely grateful to all who participated for triggering and nurturing such a range of stimulating ideas and suggestions.

The paper offers a vision of how sustainable development might best be pursued in a post-Rio+20 world. In the first part, it proposes strategic ideas on how sustainable development in general might more effectively be catalyzed. In the second, it considers how UNEP in particular might best respond to the post-Rio+20 world.

Part 1. Catalyzing Sustainable Development in a Post-Rio+20 World

The Challenge

When sustainable development was launched by the Brundtland Commission in 1987, those who embraced the notion saw it as a watershed in development thinking. By applying a handful of simple rules, the fruits of development could be extended not only to the entire global population, but also indefinitely in time. Their optimism was bolstered by the remarkable speed at which the notion gained political acceptance. The Earth Summit in Rio in 1992 gave universal endorsement to sustainability, articulated in a set of framing principles and a complex agenda for action, and seemed to herald a fundamental shift in direction. In a mere five years, sustainable development appeared to be on its way to becoming the governing paradigm for human progress.

That hope proved misguided. Despite many encouraging achievements in the past quarter century and a perceptible shift in the global conversation, in terms of tangible efforts and real change, we have simply not done enough. We may all have embraced the idea of sustainable development, but we have failed the essential practical test of sustainability: the phasing out of unsustainable behaviour. The incremental actions that have been agreed in repeated international meetings, even had they been quickly and fully implemented, fall far short of what is required to move the world onto a trajectory to sustainable development. The inadequacy of incremental progress is a fact in most areas of development, whether in terms of equity, social justice, climate change or biodiversity conservation.

Rio+20 did not change any of this, but it nevertheless served a purpose: to underline the fact that we can no longer rely principally on an approach centred on global summits, universal agreements and independent commissions. In short, the notion that state-centric talk-fests will bring forth the leadership for meaningful change lies discredited.

The limits to intergovernmental mechanisms may finally have been reached at Rio+20. But the experience also lights the way to the approaches we need to adopt in future. While there will always be a need for intergovernmental process, Rio+20 alerts us to the need—nay, urgent necessity—to seek complementary and alternative routes to change. The current era is a time when our problems are more widely understood than ever before. What is missing is a sharp understanding of how to bring about transformation such that current negative trends might be reversed. How do great social and economic transformations work? What are the best ways to accelerate them? What positive experience is there to replicate and take to scale?

Shifting the Narrative

If there is one firm conclusion that can be reached from a quarter century of effort, it is that you cannot browbeat, shame or scare people into embracing sustainable development. The emphasis on communicating anxiety, fear and dismay may perhaps be justified by the facts. But experience has conclusively demonstrated that it will not on its own trigger behavioural change. Instead, the inspiration of a fair and sustainable planet has become tarnished with a sense of negativity and hopelessness. The psychology of failure sticks to sustainable development like a leech.

Some have reacted by swinging too far in the opposite direction, trying to send only “positive” messages about sustainable development. Unfortunately, this is no more persuasive. Positive messages alone do not explain the urgent need for change. Too positive an outlook is damaging to credibility: there is no such thing as something for nothing, and people soon become suspicious of anyone claiming to offer “win-win-win” deals. Finally, this approach carries the risk of self-deception, as a narrative dominated by too many inspirational anecdotes risks blinding one to the fact that we are still on a crash course and accelerating. Ultimately, it is patronizing to

believe that simply telling people “good news” will be sufficient to drive support for highly difficult social and economic transformation.

The sustainable development narrative needs to escape from this false dichotomy. A narrative of change requires the skilful combination of both negative *and* positive messages. One provides the impetus for change while the other points to feasible, specific actions that can make change happen, amid broader opportunities.

The biggest challenge for this combined narrative is to develop positive messages that are as specific and tangible as their negative counterparts and that speak to a broad set of concerns. This is essential in order to “de-partisan” sustainable development, which has unfortunately become associated with promoting environmental issues alone. It will probably be more successful to focus deliberately on social and economic sustainability, while making the point that neither of these can be achieved in the absence of sound management of natural resources and ecosystems. Indeed, the environment must be seen as an inescapable condition for success in those other areas. This means that, post-Rio+20, sustainable development must directly address concerns around social marginalization, unemployment, national and personal security, livelihood preservation and social equity and justice—not simply climate change and biodiversity loss.

We will have to show a great deal of creativity in understanding how a new narrative is created and spread, identifying and eliminating taboos, working with norm entrepreneurs, making full use of social media and seeking to turn sustainable living into a widely embraced new norm. In some ways, as far as “tipping points” are concerned, a narrative that creates the expectation of change is an essential step in generating the change itself. The moment at which people begin to see themselves as part of an inexorable change is the moment at which they throw their weight into riding that trend and looking how best to exploit the new opportunities it provides.

Two factors will be key to the success of the new sustainability narrative: placing equity at the centre of the sustainability case and dealing with those whose interests are negatively affected by the sustainability transition.

The Equity Imperative

The importance of the equity agenda cannot be exaggerated. Though it has lifted millions out of poverty, the global economic system has dramatically widened gaps between rich and poor over the past decades. The financial crisis in 2008 placed equity squarely on the international agenda, leaving a large global constituency visible and angry at having had to pay the price for other people's greed. In many countries, it is the persistently high levels of perceived inequity that have sown the seeds of violent conflict and social revolution.

A scan of global negotiations on major topics related to sustainable development will demonstrate that they are all in trouble in large part as a result of their inability to address equity or often even to acknowledge its central importance. The World Trade Organization's Doha Round negotiations are stalled in large part because a world dominated by a handful of powerful trading countries or blocs is no longer acceptable; the developing countries were promised "a round for development" and they will accept nothing less. The climate change talks are stalled over issues of climate justice, climate space and responsibility for the carbon heritage, and will not go forward until these equity issues are acknowledged and a means of addressing them found. Even at Rio+20, any issue whose resolution required recognition of serious existing inequity, or called for a serious move towards greater equity, soon ran into trouble.

Equity is therefore ripe to be the centre of the sustainable development narrative. The purpose of sustainable development must be to build equity, to narrow the gaps between rich and poor countries and between the rich and poor within countries. It must be about ending social exclusion and marginalization, and promoting social justice. It must recognize the importance of personal dignity, and of avoiding the psychological cost that society must pay for those left behind.

There is no way around it: we will have to address the equity challenge or we will not move toward sustainable development. This is a strong reason for the sustainable development narrative to embrace and champion the need for greater equity centrally and boldly.

Losers and Stranded Assets

The transition to sustainable development will leave many casualties by the roadside. The sustainable development community has, in the past decades, singularly failed to address the legitimate concerns and interests of those who stand to lose and the stranded assets they will leave behind. This is a significant failure, and one that explains much of the resistance to what is, intellectually, a sound idea. A central part of the new narrative must be to recognize the political economy of the sustainability transition, to address the issues it raises head-on and to find strategies to deal with them.

The first step is to map carefully who will be affected by major reforms, positively and negatively, locally or at a distance, now and in the future. We need to understand the political economy of our reform proposals. Next, we need to launch a new kind of dialogue, aimed at working out how to deal with those who will find themselves on the losing side of the equation—who can be recruited into the sustainable development movement, whom we may have to compensate, whose stranded assets might need to be amortized and whom, finally, we will have to trust that society will reabsorb. It is not sufficient simply to dismiss these because, as participants in unsustainable activity, they should have known better. These “losers” are important stakeholders, and are often politically connected and influential. Pushing them to become opponents is a seriously unfortunate outcome. The steps needed to move through this transition will also need to be cast in terms that speak to politicians—so we need to identify the short-term gains and cast these in terms that politicians will consider saleable.

Rising to this challenge will require a significant shift in mindset on the part of the sustainable development community, but it is both necessary and urgent. The challenge is not simply to offset the loss of individual or corporate stakeholders; it is to work out how to retire the old economy so as to allow the new one to emerge.

The Elephant in the Room: Decoupling

And then, of course, there is the great challenge to which the sustainable development community often refers but has difficulty genuinely addressing without descending into heated disputes and emotional language: whether by “decoupling” economic growth from ever-increasing use of energy and natural resources, we can offer a decent standard of living to all citizens on the planet within planetary boundaries. The conversation on “decoupling” is highly vexed and takes us closest to the kind of debate we must move beyond, where the requirements of a healthy environment are seen as an alternative to meeting the legitimate development aspirations of the poor, to the great dismay of all. It is a significant source of partisan divide.

Perhaps it is possible fundamentally to decouple growth in human prosperity from growth in resource consumption and environmental degradation through changes to consumption patterns, virtual economies, increased efficiencies, etc. If this were certain, there would be no need to question some of the fundamental assumptions of the capitalist economy, such as the need for ongoing growth or the culture of consumerism. On the other hand, the fundamental decoupling of growth and resource use may not be possible because it is unrealizable within the limits of our financially exploitable resources or before runaway violation of essential environmental boundaries. If this were certain, there would be no point removing perverse incentives or promoting resource efficiency, because the entire system would instead need to be overhauled in the pursuit of steady-state economies.

As it is, the jury is still out. Decoupling may happen on a large scale, or it may not; we simply do not know. Much depends on technological game-changers. Will they be invented or deployed in time? How can their development be hastened? Until these questions can be resolved, the best that can be done is to avoid getting drawn into polarizing, partisan debates. Organizations researching “prosperity without growth” should not be treated as pariahs, or seen to be undermining the work that others are conducting on issues such as corporate social responsibility and green supply chains—and vice versa. Both are working on issues that contribute to the same end and both are desirable, given high uncertainty about the

future. Ultimately, sustainable development's biggest challenge always has been and always will be questioning the status quo of economic interactions, and in this undertaking, no norms should be considered "off the table."

Enabling a Sustainable Economy

If we are seeking to retire the old economy, what does the new one resemble? Decoupling or not, it must be an economy that supports sustainable development: one that builds social equity and operates within the limits imposed by natural resources and ecosystems. Beyond a given level of material wealth, we know that ever more frenetic consumption and the continued accumulation of possessions do not greatly improve the quality of life or the sense of fulfillment of citizens, so a sustainable economy should also identify the conditions that maximize human perceptions of their own well-being.

Calls to envision a new economy have recently been made in the name of a "green economy" or "green growth." While these titles are convenient shorthand for new and exciting concepts, care will have to be taken not to perpetuate the idea that sustainable development means giving pride of place to the environment. Whatever we call it (and recently we have tended to speak of a "green and inclusive economy"), sustainable development will never advance unless the economy serves as its motor. The challenge for the transition is to define in much more detail what kind of markets we consider to be sustainable and how to make the necessary changes politically possible.

If we assume that decoupling will happen, then the first suite of enabling policies is relatively well advanced, at least in its outline, and ready for implementation. We must reform and phase-out subsidies that lead to overconsumption of carbon-based fuels. We must use the purchasing power of the public sector to favour sustainably produced and delivered goods and services. And we must use taxation policy to encourage sustainable behaviour and discourage the unsustainable—for example, taxing "bads" like financial speculation, pollution or waste rather than "goods" like employment.

This alone will not be enough. The set of enabling changes that we know must be followed by a second generation, which we are just beginning to research and understand. Governments will have to play a direct role in stimulating new industries by applying findings from growing research areas such as green industrial policy. We will have to shift many of the policies and rules governing international financial transactions, both to ensure they are truly contributing towards real-economy prosperity, and that investment in sustainable practices becomes the low-risk option.

The biggest conundrum will be how best to enable innovation. In almost all areas of technology there are solutions that, if deployed quickly and comprehensively, would speed the transition towards sustainable development immeasurably. Entrepreneurial and behavioural innovations, too, often in alignment with changing technologies, can transform the profile of entire markets. Indeed, for decoupling to take place at all, technological, entrepreneurial and behavioural innovations are the very crux of sustainable development. We will have to learn how to further unlock technology and individual creativity that is currently ensnarled in endless market failures and complications that limit the uptake of and access to the solutions of the future.

In making all of these changes, we cannot afford to slip back. We must seek to establish the principle of non-regression on matters of a sustainable economy; once structural change of this type has been adopted, and assuming that it works as intended, it should represent the new benchmark. Progress beyond it should be encouraged, but slip-back should be prevented.

Who?

The starting premise of this paper is that the potential to reach universal agreements within formal, intergovernmental processes is currently nearing exhaustion. This lack of progress reflects the current state of a divided world. We need global processes and global treaties, but this does not mean that the only way to take them forward is through negotiation. If anything, the past decade has shown the opposite—negotiation leads to yet more negotiation. This paper therefore envisages that the approaches

of tomorrow will reinvigorate the political operating space for global platforms, and in some cases side-step them entirely through a multitude of purpose-built initiatives that emerge, effect change and fade, to be replaced by something new.

These initiatives should gather as many of the key advocates for change as possible—including intergovernmental actors—and will work best when the goal is realistic, time-bound and mature for a change. The art of optimizing change will be the art of identifying and riding these successive waves, and then moving to the next one as it swells. Over time, these change movements can create a momentum of success, demonstrating that our problems are susceptible to solutions if we can find the right players and the right vehicles, and pick our targets carefully.

National governments must play a key role, as they are often the only players capable of enacting the rules of the economy: setting policy, crafting the regulations, investing in research and innovation, and exercising accountability on market players. National governments that are already willing and able to introduce reforms in their own jurisdictions should act without awaiting global consensus. These pioneers should consider federating around their sustainable economy experiences and creating coalitions to share lessons. More often, governments—even if they are well aware of the logic for change—will not have control of the political space to make reform happen. In these circumstances, purpose-built coalitions will be needed to create or occupy this space.

Aside from noting the importance of governments, two observations can be made about the membership of sustainability coalitions. First, most radical change in history has been driven by a combination of outsiders and insiders—those who do not benefit from the current regime and those who do but are willing to stand against their purely personal interests for the greater good. Coalitions need to incorporate both of these types of “unlikely leaders.” This means that the sustainable development community must incorporate actors who have not traditionally been seen as firestarters, but nonetheless hold considerable power—actors such as municipal and state governments, the judiciary, media and journalists, the insurance industry, forward-looking banks and pension funds. The potential of a judicial sector advocating for and enforcing environmental

rights and laws has barely been touched, but it could prove to be a game-changer, for example, if the courts were to recognize liability for carbon emissions.

Second, coalitions should be aware that the most important actor in any movement may not in fact be the leader but the “first follower.” Followers are the biggest difference between an impractical visionary and a leader. They give a leader credibility and help a movement speak to different social groups. Whom coalitions target as first followers, therefore, will have significant implications for how they are perceived and who will join in turn.

Where?

The complex mosaic of new and creative initiatives, bringing together different players and currents around diverse objectives, makes it far from clear where the conversations that we need should be held. Different challenges will find different formats, and the same challenge may be addressed in different places in different ways.

It seems clear, however, that we must identify where this era’s leaders discuss critical topics and target these gatherings. Meetings like the World Economic Forum, the World Future Energy Summit and their equivalents in insurance, pension fund management, private equity, infrastructure development and others bring together the key players in a forum in which they identify present challenges, seek the inspiration of innovative ideas and best practice, and hone their understanding of both the risks and opportunities facing the sector. These are the perfect places to introduce ideas for change.

Some of the most exciting momentum toward sustainable development in recent years has come from subnational jurisdictions—states, provinces, municipalities and communities. Where it is difficult to reach consensus at the national level, it may be easier to introduce change further down the jurisdictional ladder and then seek to bring it to scale. Movements like the C40 Cities Climate Leadership Group, that are committed to addressing climate change, must be encouraged and multiplied to the point where national governments feel compelled to follow, if only so as not to be left behind.

Whereas we have tended in the past to count on our governments to drive international cooperation for sustainable development, we are now convinced that we must work through a far broader, more diverse and sometimes more unfamiliar configuration of forums, processes and coalitions, in a world where experimentation is encouraged and prized, and where success is quickly identified and amplified. This is a challenge for a community too seldom inclined to question the processes with which we are familiar, but it is an exciting and highly promising challenge.

When?

Despite the disaffected picture of progress towards sustainable development with which this paper opens, sustainability thinking may be on the cusp of becoming mainstream. Over time, the different change movements can create a momentum of success, demonstrating that our problems are susceptible to solution if we can find the right players, the right vehicles, and pick our targets carefully. There are signs everywhere that we are now moving beyond the rhetoric, finally to come to grips with our challenges. Should there be a convergence in trends, things could move very quickly.

One of the most prominent recent developments is an unexpected rallying around the need to move beyond GDP as the principal measure of progress. In particular, reform around integrating social and natural capital into our metrics for economic health now has bastions of economic orthodoxy, like the International Monetary Fund and the World Bank, taking a leading position.

Repeated disappointments in progressing sustainable development issues in intergovernmental negotiations just lead the momentum to shift elsewhere. The sandbagging of the Doha Round at the World Trade Organization has led to a blossoming of regional and bilateral trade agreements. Like electricity, resistance simply drives the current onto a smoother path.

This is not, however, a call for complacency. As always, things happen when we make them happen. We must have the courage to seize the moment and ensure that this change—initially the shift to a sustainable economic system and then the full achievement of sustainable forms of development—takes place while the world is still a rich and diverse place.

Accountability: The Final Word

For all the poverty that continues to plague the world, there is one commodity of which there is a surfeit—promises. If even a fraction of the promises our governments, our corporations and our citizens have solemnly made had been respected in reality, you would not be reading this paper today. If we are facing social marginalization, environmental decline, stumbling economies and violent conflict, it is because of the gaping chasm between what is promised and what is actually done.

None of what is called for in this paper will be achieved without greatly improved accountability, and without robust mechanisms for its exercise. This begins with transparency: the taxpayers have a right to know how governments are spending their money, and whether this is aligned with formally adopted public policy. Consumers must know whether the products and services they buy align with the claims on the packaging. There is a vital role for civil society to play in monitoring government and corporate action and in reporting on policy coherence to the citizens.

We should cast the results of monitoring on a “time to goal” scale, clearly showing how long it will take to achieve a stated goal given present trends. Thus if we have undertaken to halve child mortality by 2020, we should not have to wait for that deadline to determine whether or not the goal has been achieved. We should, at any moment, be in a position to project forward to see if the trend line will take us to that goal early, on time, late or not at all. Such graphic renditions of long-term consequences can be both a powerful monitoring mechanism and a tool for insisting on accountable government.

Conclusion

When sustainable development was offered as a new paradigm for humanity, nobody thought it would be easy to achieve. Nobody, however, suspected that it would prove so difficult to make genuine progress towards that goal. We have tried many approaches—mega-conferences, independent commissions, broad scientific assessments, campaigns—and there has been progress; indeed, there has been heart-warming progress in many areas.

Rio+20, however, underlined the dangers of counting too much on intergovernmental progress in the traditional format. This relative failure can, however, serve as a turning point, unleashing the considerable creativity and determination that exists in the sustainable development community to move ahead. The Abu Dhabi retreat reviewed a wide range of ways in which we can open the sluices and allow creativity to carry us forward. They all involve investing time and effort in a range of approaches that have showed promise, but with which we are not yet fully familiar. But nobody has any doubt that a new era has started and that we can, finally, see a clear path to the sort of future we would like to offer our children.

Part 2. Implications for UNEP

Introduction

Part 2 of this paper looks at how one particular institution, UNEP, might act to promote sustainable development in a post-Rio+20 world. It is rooted in a deep belief that UNEP is a key global player in advancing sustainable development. It is also rooted in the conviction that, if UNEP is to be prepared to meet new challenges and respond to new opportunities, it must be prepared to make deep changes in the way it is structured, how it operates and whom it chooses both as partners and principal targets for its action.

The suggestions set out here are radical and imply a deep disruption of present structure and practice. Nothing less will lift UNEP into the position from which it might create and lead the movement for transformative change towards sustainable development. This does not mean pursuing the various options for upgrading UNEP that were proposed at Rio+20; we are promoting neither a World Environmental Organization nor a United Nations Environment Organization. What it means is a whole new way of operating. This “UNEP 2.0” requires a full redesign of the mental software on which UNEP runs.

The need for this change is urgent because new opportunities are ripening. In this time of converging trends and events, UNEP must adopt a new pace and a new approach if it is to have any hope of catalyzing the paradigm shift that will be necessary. Like a plant pushing through the tarmac, UNEP is emerging from the cracks in the old paradigm and it has the opportunity now to surge up towards the sun.

Leadership in Crafting the New Narrative

Part 1 of this paper argues that the new narrative for sustainable development must seek to marry worrying and hopeful messages. It also argues that we must focus on shifting the connotation of sustainable development to show that it is not just euphemism for “environmentalism,” but that people, equity and stability are at its heart. What does this mean for UNEP, the United Nations body dedicated to the environment?

UNEP can find a leadership role in this narrative by ensuring that the environment is presented in terms of its contribution to a new vision for human well-being, particularly focusing on the linkages between a thriving environment and social progress. Like sustainable development in general, UNEP must not be afraid to be held back with respect to the “problem space”—in its case, the social costs of serious environmental decline. Instead, this should be juxtaposed dramatically and tangibly with the “opportunity space,” continuing the work that has been begun with The Economics of Ecosystems and Biodiversity initiative and the green economy to articulate environmental value in terms that contribute to human welfare, such as natural capital and jobs.

Using the old metaphor of sustainable development as a three-legged stool (environment, economy, equity), one could argue that UNEP was instrumental at Rio 1992 in giving real political meaning to the “environment” leg of the stool; 20 years later, at Rio 2012, it orchestrated the idea of the green economy to resituate the environment in relation to the “economy” leg. The challenge for a UNEP 2.0 is to do the same for the equity dimension. This will place equity at the centre of the analysis, articulating the human cost of environmental loss, and identifying opportunities for change that stress inclusiveness, access to justice and standing for those who have been voiceless thus far. Solutions that preserve the natural environment must also pave the way toward justice and equity. Equity is the surest bridge to the green economy, a notion embraced in the call for “a green and inclusive economy,” or in Oxfam’s words, a “safe and just space for humanity.”¹

UNEP should place a good deal of emphasis on the reform and removal of perverse incentives that still pervade our economic policy and slow the transition. This would put it in an excellent position to help lead the narrative by launching honest and frank discussions with partners about how best to meet the challenges attendant on retiring the old economy. It also meets the need for a strategy to address the problems faced by those who will lose out, if only in the short term, from the transition to a green economy, especially those dependent on “brown” jobs. It would also

¹ K. Raworth. (2012, February). *A safe and just space for humanity: Can we live within the doughnut?* Oxfam Discussion Paper. Retrieved from <http://www.oxfam.org/sites/www.oxfam.org/files/dp-a-safe-and-just-space-for-humanity-130212-en.pdf>

tackle how to amortize the stranded assets that will no longer be relevant in the new economy.

In particular, it is essential that UNEP continue to serve as a vigorous champion for the global commons. Many of our most intractable problems stem from the inadequacy of our international regimes for managing the global commons, and yet their mismanagement lies at the heart of many of our domestic challenges. The global commons have few champions; UNEP must be chief among them.

Just as the narrative must be fresh, positive and forward-looking, it will have to be communicated in new and exciting ways, with compelling use of visual design and interactive, personalized resources. In stepping up to this leadership role, UNEP has the opportunity to shape what the future space will look like and will be associated with this new and compelling vision. If successful, it will leave the world of Stockholm and Rio behind us.

UNEP Services

Provision of accurate, timely and relevant information to its constituents lies at the heart of UNEP's mandate. In a post-Rio+20 world, there is still a desperate need for this information backbone. The world needs a reliable source of information on the transition to a green economy and sustainable development more generally. The challenge is to find ways to make this information more transparent and easily accessible.

UNEP's constituents have limited use for raw information. UNEP adds value by gathering, quality-assuring and disseminating the information that they need in order to act. To this end, the early warning of problems and identification of trends continues to be highly valuable. In addition to data on environmental trends, one area where this service could be particularly valuable is in innovation. Tracking research and development in key technologies could prove to be a key aid in helping to speed deployment of innovations that are interesting and useful.

The shift to "UNEP 2.0" should represent a move beyond static forms of information collection and provision, changing to include crowd-sourcing approaches and fully leveraging the possibilities offered by new

information technology. UNEP should be gearing up to provide graphic, location-based analysis in real time, offering “just-in-time” information, not just for policy analysts but also for citizens and decision-makers. In these ways, UNEP’s role of data provision can be re-harnessed to become a new tool for empowering and engaging with a range of new constituents, giving them tools to participate actively and effectively in the movement toward a green economy. UNEP has the potential, if it organizes properly, to greatly shorten the distance between science and policy change by putting real-time information in the hands of governments, corporations and civil society.

UNEP as a Venture Catalyst

In the run-up to Rio+20, some argued that UNEP should become an international implementation agency for the environment. It is not just UNEP but many components of the international environmental regime that are struggling with the challenge of “on-the-ground implementation.” While UNEP has won a narrow space in which to organize and deploy operational activities, Rio+20 left it broadly with the same mandate and, most likely, similar resource levels as those with which UNEP has been operating in the past. What can such a small institution—with an annual budget that is just a fraction of global heavyweights such as the World Bank and the United Nations Development Programme—hope to achieve?

UNEP should take pride in its past successes and consider how these can be expanded and consolidated in new configurations. Throughout its history, UNEP’s reputation has not principally been built on the back of its operational activities; with exceptions, it has lacked the resources and, as a result, the experience and human capital required to implement large-scale operational projects at a national level. Rather, its greatest achievements have tended to be international initiatives that outgrew the UNEP nest and went on to fly on their own, like the Intergovernmental Panel on Climate Change, the Convention on Biological Diversity, The Economics of Ecosystems and Biodiversity initiative and many more. As a small and nimble cross-cutting programme, UNEP shines most brightly when it is conceiving initiatives and mobilizing to ensure their realization.

This suggests that both UNEP 1.0 and UNEP 2.0 should conceptualize their most influential function as that of a “venture catalyst”; if UNEP 1.0 focuses principally on intergovernmental process, UNEP 2.0 should deploy the catalytic function across a wider and more diverse stakeholder community, including, very prominently, the private sector.

That said, it is not evident that UNEP’s catalytic role should be limited to the global level. There is considerable scope for creative catalytic action at the national and regional levels as well. This suggests that it is not a question of UNEP shunning national-level activities, but more a question of the types of interventions that best benefit from UNEP’s experience and political clout.

UNEP’s Traditional Constituencies: UNEP in the UN

Since its beginning, UNEP has operated on the assumption that it had two principal target audiences: the other members of the UN family of organizations, and environment agencies and ministries in national governments. These continue to constitute valid target audiences, but it is doubtful they deserve such a dominant central position.

When it comes to the first of these, the inability of the UN system to tolerate any significant governance reform is seriously stymieing its ability to lead the movement toward sustainable development. A structure built for a world that no longer exists, the UN is falling further and further behind the cutting edge of positive change. For UNEP to focus a large part of its efforts on shifting these fossilized structures is not the best use of its energy or creativity. UNEP’s role with respect to its fellow UN organizations should not be acquiescent, but rather constructively disruptive!

This may sound ironic, since UNEP is fully part of the UN structure (and traditionally seen as a weak part at that!); however, UN bodies (including UNEP) have performed best when they bucked the trends, took risks, pushed the envelope and ventured to some extent beyond their formal mandates.

UNEP is uniquely qualified to play this brave, if risky, role for two reasons. First, the environment is a cross-cutting issue—the foundation on which

development is built—and not simply a sector, and as such, the natural constituency for UNEP is very broad and diverse. Second is what might be termed the “Nairobi advantage.” Far from isolating UNEP at a distance from the centres of action, its Nairobi location places it at a safe distance from the politics and intrigue of the UN centres in New York and Geneva. UNEP is in the heart of the growing world—the world of the future. This gives it the ability to stay attuned to issues as they play out on the ground, and to address those who will be steering the planet’s development in the coming generation.

The need to escape entrapment by the UN system applies, though to a lesser extent, to governments as well. Clearly, as noted in Part 1 of this paper, we must continue to count on governments and government-based structures to set in place a favourable policy framework for the green economy transition, to monitor and regulate, and to fund innovation. However, much of what is required to move toward sustainable development is beyond the immediate grasp of central governments. It is certainly beyond the reach of environment ministries. With respect to government, therefore, two innovations could help UNEP achieve its mandate.

First, throughout governments, there will be a range of natural allies for UNEP beyond just environment ministries. UNEP should work to develop a “heat map” of those in government that have a natural inclination in favour of its agenda and begin to network and federate these so that they become a force within government to advance sustainable development priorities. UNEP needs to place more emphasis on working directly with other sectors in government, such as finance, health, agriculture, education and research, to ensure that their programs and actions are fully aligned with the requirements of the green economy transition.

Second, UNEP should help environment ministries re-engineer so that they themselves can work more effectively with and through the other parts of government—especially finance ministries—to design and implement the transition to a green economy. They must act less as sector agencies, and more as an internal advocate for the environment.

However, if we are losing faith in global intergovernmental processes and see success coming from the mobilization of a broad and diverse constituency from all parts of society, the new approach to advancing

sustainable development described in this paper is far from the traditional approach taken by the UN. Moreover, it is increasingly clear that UNEP's wider constituency is motivated and far ahead of the governments that make up UNEP's formal membership. The constituency is ready to roll; indeed, it is rolling. The only question is whether UNEP wishes to be left behind or instead harness the momentum to its cause. UNEP must back creativity, innovation, experimentation and risk-taking, and not allow itself to be held back by the pace of intergovernmental dialogue and deal-making. This is essential but it will require revisiting how UNEP is structured, how it is funded and how it works. The present structure is obsolete, especially in its sectorial carve-up.

UNEP is part of the UN and will remain so. The UN family and environment ministers offer many positive possibilities for advancing UNEP's agenda. But UNEP must begin to think in terms of those matters best advanced through its traditional constituencies, and those best advanced outside and beyond them. UNEP must work with its existing partners, but it cannot allow them to hold it back. Given the nature of UNEP's challenge and its responsibility for advancing a green economy on the way to sustainable development, it should conceive of its role as disruptive, impatient of complacency and intolerant of the established pace of progress.

Building Coalitions: Helping to Find UNEP's New Constituencies

Engaging effectively with constituencies beyond the UN and central governments is where the real potential lies and represents the first priority for UNEP. If UNEP truly changes its mindset to catalyze and lend its weight to coalitions of powerful actors around key objectives, then giving civil society a space in the UNEP governance structures is wildly insufficient. UNEP 2.0 needs a business model for engaging in coalitions as a strong partner, spelling out clearly what UNEP can offer and what can best be contributed by means of the other members in the partnerships. One key task is to identify and recruit the key champions for the change that is being sought, wherever these might be located.

The coalitions should help build management capacity, draw up roadmaps, seek convergence and deepen insights with respect to the chosen objective. In helping to build them, UNEP should seek especially to identify key leaders from the green economic sectors, from the scientific community and from non-governmental organizations—in short, from unconventional allies who can help bring the message to different audiences. By roping in diverse actors, UNEP can build coalitions around the edges of an issue until they are in a position to storm the middle. Coalitions can also serve as an excellent mechanism for the exercise of accountability, monitoring government progress and calling attention to where a gap is growing between promise and realization.

Among the notable “outsiders” that UNEP might effectively bring into coalitions—those that often lack an entry route into the formal system—are universities and trade unions. The analytical capacity of the first, and their ability to recruit bright and motivated young graduates, is too often underestimated. And the mobilizing power of trade unions is legendary. In the latter case, the collaboration of UNEP and the labour movement around the green jobs and decent work agendas is an excellent start, but there is potential to go much further, for example in focusing on the particular role of women in the management of natural resources.

UNEP would need to build experience in identifying when movements are ripe to bring about change. Two conditions, however, are plain in the abstract. First, coalitions are usually most effective when there is “pride of platform,” when they are addressing important but nevertheless circumscribed objectives such as the uptake of renewable energy, bringing transparency to land-grab deals, preventing resource conflicts, managing river basins or restoring a fishery. Second, they should also be designed to achieve time-limited objectives, “to put points on the board” and to prevent themselves from turning into another immovable part of international institutional infrastructure.

Given UNEP’s traditional government constituency, another natural focus is the great deal of energy and creativity that exists in subnational government bodies, particularly large municipalities. UNEP should design ways to network and federate these dynamic subnational government actors and, as in the case of C40, to build and support them and to associate them more directly with UNEP’s work.

It might immediately be pointed out that UNEP has limited capacity to structure and support such coalitions, but there are ways around this. UNEP might make far better use of intermediary organizations that might be entrusted with the task of coordinating a coalition in partnership with UNEP. Organizations like the World Wide Fund for Nature, the International Union for Conservation of Nature, the International Institute for Environment and Development, the World Resources Institute, Greenpeace and many others not only have the capacity, but are familiar with that way of working. Many of UNEP's priorities would be achieved more effectively if UNEP entered into genuine partnerships with a range of players, and not principally with its UN brethren, as is now often the case. It is another way of extending UNEP's capacity and reach. UNEP should link with a range of partners—new partners for new issues—but the choice of partner is key to success and cannot be dictated by political considerations. Partners could, for example, take a lead in filtering the information available on a topic and drawing out a range of options for policy-makers to consider, thus not only forming but even structuring the debate that needs to be had on the topic.

UNEP's biggest challenge in managing to occupy a “problem” space and an “opportunity” space—an “intergovernmental” space and a “purpose-built coalition” space—a “cooperation” and a “competition” space—will be coordination. All strands of its new narrative must work in harmony and establish one coherent identity without sending mixed messages. In order to do this, the UNEP that is emerging will require staff with a very diverse skill set that can flourish in this new environment. They will no longer need just scientific, legal and technical personnel, but also a strong body of economists, information and communications technology specialists, campaigners and political analysts.

Conclusion

If we have failed to advance adequately towards sustainable development, and if many current trends point to disaster, a confluence of factors also means that there are opportunities that never before existed. For many reasons, we believe we are on the cusp of a serious shift towards greater attention to sustainability in both public and private decision-making.

But if we are seeking transformative change in individual and communal behaviour, we must be prepared also for a transformation in how we go about our business. In the family of UN organizations and agencies, UNEP alone may be possessed of a cross-cutting mandate and a flexibility that will allow it to pioneer that change, to pilot a new way of working and of conceiving of its constituency. To do so will require leadership, courage, focus and determination, but, in reality, UNEP has nothing to lose. Another decade or two at the traditional pace will guarantee that the battle is lost and the world our children inherit from us will be considerably poorer, less fair and less able to sustain life at the standard we have enjoyed. This need not happen; indeed, it can be avoided if UNEP and others seize the current unprecedented opportunities for transformative change, through a restructured economy, to the final haven of a sustainable planet.

Annex 1. List of Participants at the Reflections on Rio Retreat

Co-convened by IISD and UNEP
December 2–3, 2012, Abu Dhabi, United Arab Emirates

Name	Organization/Position
Manish BAPNA	Executive Vice President and Managing Director, World Resources Institute (WRI), USA
Antonio Herman BENJAMIN	Justice, High Court of Justice, Brazil
Hany BESADA	Research Specialist on the United Nations High-Level Panel Secretariat-Post 2015 Development Agenda, UN New York, USA
Frank BIERMANN	Chair, Earth System Governance Project Professor, VU University Amsterdam, Netherlands
Michele CANDOTTI	Principal Advisor to the Executive Director, UNEP, Kenya Head of the Office for Policy and Inter-Agency Affairs (OPIA)
Mark HALLE	IISD Vice-President, International and Executive Director, IISD-Europe, Switzerland
KUNTORO Mangkusubroto	Minister and Senior Advisor to President Susilo Bambang Yudhoyono, of Indonesia
Rachel KYTE	Vice President for the Sustainable Development Network World Bank, USA
Helio MATTAR	President of the Akatu Institute for Conscious Consumption Former corporate CEO and government minister, Brazil
Jacqueline McGLADE	Executive Director, European Environment Agency, Denmark
Malini MEHRA	Founder and CEO of Centre for Social Markets, India

Name	Organization/Position
Amina J. MOHAMMED	United Nations Secretary-General's Special Adviser on Post-2015 Development Planning, UN New York, USA
James MOODY	CEO, TuShare LLC
Reuben MUNGER	Managing Partner of Vision Ridge Partners, LLC, USA
Kumi NAIDOO	Executive Director, Greenpeace International, Netherlands
Adil NAJAM	Vice-Chancellor, Lahore University of Management Sciences (LUMS), Pakistan
Jeremy OPPENHEIM	Sustainability and Resource Productivity Practice Leader, McKinsey, United Kingdom
Manuel PULGAR VIDAL	Minister of Environment, Peru
Karim RASLAN	CEO of KRA Group, Malaysia
Erik SOLHEIM	OECD DAC (Development Assistance Committee) Chair elect, France Former Minister of Development, and of Environment, Norway
Achim STEINER	Executive Director, UNEP, Kenya
Simon ZADEK	Senior Fellow, IISD, Switzerland
ZHANG Xinsheng	President, IUCN, Switzerland Executive Chairman of Eco-Forum Global, China
<p data-bbox="199 1066 371 1098">Secretariat</p> <p data-bbox="132 1121 427 1257">Christopher BEATON Aniket Dharam Pal GHAI Elka PARVEVA-KERN Corli PRETORIUS</p> <p data-bbox="132 1297 255 1329">Pio SMITH</p>	<p data-bbox="461 1121 954 1329">Research & Communications Officer, IISD Programme Officer, UNEP Programme Assistant, IISD Executive Assistant to Mr. Achim Steiner, Executive Director, UNEP Special Assistant to Ms. Amina J. Mohammed</p>

The United Nations Conference on Sustainable Development (UNCSD) in June 2012—commonly referred to as Rio+20—left many perplexed. If a number of advances were made, the results fell well short of what is needed to redirect the global economy onto a sustainable course. Given that 20 years have passed since the Earth Summit, and 25 since the Brundtland Commission launched the notion of “sustainable development,” clearly something is not working.

It is time for the sustainable development community to ask itself some tough questions: Why is sustainable development not “selling”? How might we re-envision the concept for the world of today? And what does this imply for organizations like the United Nations Environment Programme (UNEP), whose mission both contributes to, and depends on, the realization of sustainable development?

To explore these questions, the International Institute for Sustainable Development (IISD) organized an informal meeting in Abu Dhabi on December 2–3, 2012, with a handpicked selection of leaders and experts from around the world. The participants came from a wide variety of backgrounds, including present and former ministers of environment and development, senior UN officials, corporate CEOs, senior academics and leaders of major civil society organizations. This paper draws heavily on ideas that were raised during the meeting, to offer a vision of how sustainable development might best be pursued in a post-Rio+20 world. In the first part, it proposes strategic ideas on how sustainable development in general might more effectively be catalyzed. In the second, it considers how UNEP in particular might best respond to the post-Rio+20 world.